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Sent via E-Mail

July 18, 1997

To: Dave Wilmesher

RE: Low Volume Call Program

Dave,

My thoughts relative to the Low Volume Call Program are below. I will talk to Bill when he returns from vacation, as his thoughts may not line up with mine.

I agree that we should increase our call penetration into the lower volume calls to seek out business opportunities. Over the last few months, we have gotten reports of increased PM and BAT activity in the lower volume calls. If business was to increase in these calls due to future regulations, we would want to have presence in these calls prior to this occurrence.

There are numerous ways to develop a target list of stores utilizing SIS as well as Sales Rep input. Our target universe should be calls selling no less than 50 CPW however due to the large volume of calls below 50 CPW as well as reduced opportunity for us.

I would recommend each Sales Rep set an objective to develop 15 - 30 calls, based on assignment opportunity to work long term. This could be done with minimal, if any, changes to present frequencies. I recommend they be contacted either 4 or 6 times per year based on opportunity. I disagree that 1 day per week be devoted to contacting these calls. The calls should be worked in the most efficient way as determined by the Sales Rep or DM. These calls would most likely be spread wide, in rural assignments, resulting in wasted travel time if contacted on the same day.

Sales Reps should determine brands to be worked based on each call's opportunity. The initial objective should be to target a few brands that present the greatest opportunity.

Presence and Promotion objectives, as outlined in your letter, are right on target. Permanent display placement utilizing System III or cardboard would be critical to maintain brand presence between Sales Rep visits and create a permanent home for DOD product. It may be cleaner to have RJR Reps make display payments throughout the year vs. relying on DPC payments. DPC payment should be used as an incentive to bring in an extra display on top of the permanent display.

Sincerely,

Fray

Fray Natale, RBM

cc:

Bill Roth

Don Fitzgerald

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